

Corporate Credit Rating

New Update

Sector: Textile Manufacturing

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Team Leader

Faik Baysan

faik.baysan@jcrer.com.tr

+90 212 352 56 73

Analyst

Orhan Kara

+90 212 352 56 73

orhan.kara@jcrer.com.tr

RATINGS		Long Term	Short Term
ICRs (Issuer Credit Rating Profile)	National ICR	BBB- (tr)	J3 (tr)
	National ICR Outlooks	Negative	Stable
	International FC ICR	BB-	-
	International FC ICR Outlooks	Negative	-
	International LC ICR	BB-	-
ISRs (Issue Specific Rating Profile)	National ISR	-	-
	International FC ISR	-	-
	International LC ISR	-	-
Sovereign*	Foreign Currency	BB (Stable)	-
	Local Currency	BB (Stable)	-

* Assigned by JCR on September 01, 2025

Korteks Mensucat Sanayi ve Ticaret A.Ş.

JCR Eurasia Rating has evaluated the consolidated structure of "Korteks Mensucat Sanayi ve Ticaret A.Ş." in the investment grade category and affirmed the Long-Term National Issuer Credit Rating at 'BBB- (tr)' with 'Negative' outlooks and the Short-Term National Issuer Credit Rating at 'J3 (tr)' with 'Stable' outlooks. On the other hand, the Long Term International and Local Currency Issuer Credit Ratings and outlooks were assigned as 'BB- /Negative' in line with the global and national scale rating matching published by JCR Eurasia Rating.

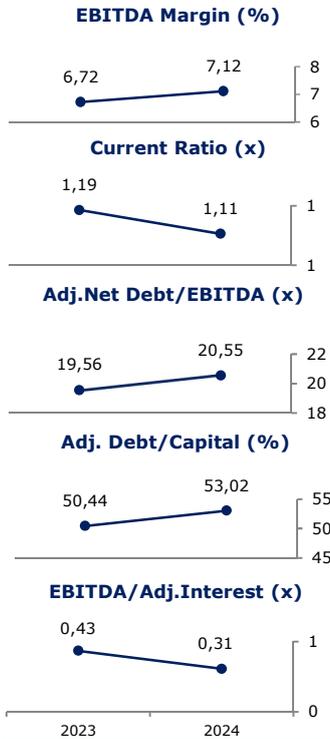
Korteks Mensucat Sanayi ve Ticaret A.Ş. (referred to as 'Korteks' or "the Company" or 'the Group') which was established in 1976 in Bursa, Türkiye to manufacture polyester yarn and to make export, is one of the textile manufacturing companies of Zorlu Textile Group besides Zorluteks Tekstil. Korteks commenced operation in 1989 with the manufacture of yarns under the "TAÇ YARN" brand. Since its foundation, the Group invested significantly in integrating recent and pioneering technologies into its production process, positioning Korteks as a major player. In addition to its dominant position in Türkiye, Korteks is known as a prominent yarn manufacturer in the European market with global export capabilities. The Group's wide and diversified product range include various types of polyester yarns to be used in ready-made garments, home textile, medical textile, carpets, automotive textile and sportswear in its two major integrated production facilities in Bursa Organized Industrial Zone. At its plants located in Bursa, Korteks produces the superior-quality yarns demanded by textile manufacturers. The Group maintains its operations by 3,757 employees in 1H2025 (FYE2024: 4.131) and its subsidiaries are as follows; Zorluteks Tekstil Sanayi ve Ticaret A.Ş. (Türkiye), Zorlu Dış Ticaret A.Ş. (Türkiye), Zorluteks SNG (Moscow), Zorluteks D.O.O. (Macedonia) and Zorlu UK Ltd. (England). Korteks, through its subsidiaries, manage several brands including 'Taç', 'Linens', 'Valeron', 'Casabel' and 'Brielle'. The Group is ultimately owned by Zorlu Family members, via Zorlu Holding A.Ş.

Strengths

- Natural hedging opportunity derived from foreign currency-oriented revenue stream,
- Restructured bank loans in 2025 easing liquidity management in the short term to a certain extent,
- Deep-rooted history in the sector along with wide range of products,
- Ultimate controlling shareholders' operating history dating back to 1950s,

Constraints

- Notably high level of financial leverage metrics in the analyzed period,
- Operating losses in FYE2024 and 1H2025,
- Significant amount of related party receivables distorting the balance sheet integrity,
- High financing expenses leading to weak interest coverage metrics and net losses in 2024 and 1H2025,
- Impaired receivables on a cumulative basis pressuring asset quality,
- As actions for a global soft-landing gain prominence, decisions with the potential to adversely affect global trade are engendering considerable uncertainty.



Considering the aforementioned points, Korteks's the Long-Term National Issuer Credit Rating has been affirmed at 'BBB- (tr)'. The Group's long-lasting presence in the sector and being one of the important players in the home textile sector in Türkiye and backed by well-known shareholders along with high level of leverage metrics, operating loss figures, significant amount of related party receivables, net losses, tight financial conditions and global macroeconomic concerns have been evaluated as important indicators for the stability of the ratings and the outlooks for Long and Short-Term National Issuer Credit Ratings are determined as 'Negative'. The Company's revenue and EBITDA generation performance, profitability ratios, indebtedness structure, liquidity profile, equity level, asset quality and operation process will be closely monitored by JCR Eurasia Rating in upcoming periods. The macroeconomic indicators at national and international markets, as well as market conditions and legal framework about the sector will be monitored as well.